






# NEXT CENTURY GROWTH INVESTORS, LLC

Investing Today in Tomorrow's Big Companies

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Micro Cap Growth  
As of 12/31/2025

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Minneapolis, MN 55447

 763-591-4490  
 [ncgrowth.com](http://ncgrowth.com)

## FIRM OVERVIEW

*Since the inception of the firm, our philosophy, strategy, and process have remained consistently focused on investing in high growth companies to create value for our clients*

### FIRM HIGHLIGHTS

- Registered Investment Advisor founded in 1998
- Headquartered in Minneapolis, Minnesota
- Majority Owned By the Portfolio Managers
- Average 25 years of Investment Industry Experience
- Bottom-up Fundamental Research Approach
- \$1.46 Billion AUM
- GIPS compliant, verified by ACA

### STRATEGIES OFFERED

- Micro Cap Growth
- Small Cap Growth
- SMID Cap Growth
- Large Cap Growth



# INVESTMENT PHILOSOPHY

We seek to invest in the fastest growing and highest quality companies in America. We believe a portfolio of high growth companies, combined with a strong sell discipline, will lead to a compounding of portfolio value over time.

## PORTFOLIO SELECTION CRITERIA

*Target NCG Composite Revenue Growth > Benchmark*

### Growth Criteria

- Organic revenue growth of at least 15%
- Sustainable long-term growth
- Growth in all time periods

### Quality Criteria

- Large addressable end market
- Favorable competitive dynamics
- Strong management team
- Economies of scale
- Balance sheet position can support growth investments

**WE SEEK TO INVEST IN THE FASTEST GROWING AND HIGHEST QUALITY COMPANIES IN AMERICA**

## COMPOUNDING OF PORTFOLIO VALUE OVER TIME

*A portfolio of companies compounding at high growth rates may result in exponential increases in portfolio value over time*

### **Rate of growth**

- We identify companies with potential to surpass consensus expectations for revenue and earnings growth

### **Duration of growth**

- We think the market often underestimates high-quality companies with long-term growth opportunities

## COMPETITIVE ADVANTAGE

*Managing growth portfolios across the market cap spectrum provides unique insights for all strategies*

- Same investment team across all strategies
- End market intelligence flows from both large and small companies that better inform our investment decisions
- Become familiar with companies when they are smaller – management team, end market dynamics, growth strategy, etc.
- Numerous examples of existing Large cap holdings previously held in Micro, Small, and SMID portfolios

## STRONG SELL DISCIPLINE

### **NCG Sell Discipline**

- We sell companies due to the following
  - Research uncovers a change in our original investment thesis
  - Extended valuation
  - Replacing a name with a more attractive investment opportunity

### **Our portfolios perform best when business fundamentals are healthy**

- Our companies need to be firing on all cylinders to sustain growth and valuation to generate compounding returns

### **Allows us to admit mistakes quickly**

- Having a discipline removes emotion from the decision-making process

## SELL DISCIPLINE REINFORCES COMPOUNDING OF PORTFOLIO VALUE

# INVESTMENT PROCESS

We believe our team-based approach and collective growth stock investing experience provide valuable insights to our direct research, decision-making, portfolio construction, and risk management processes.

## TEAM APPROACH

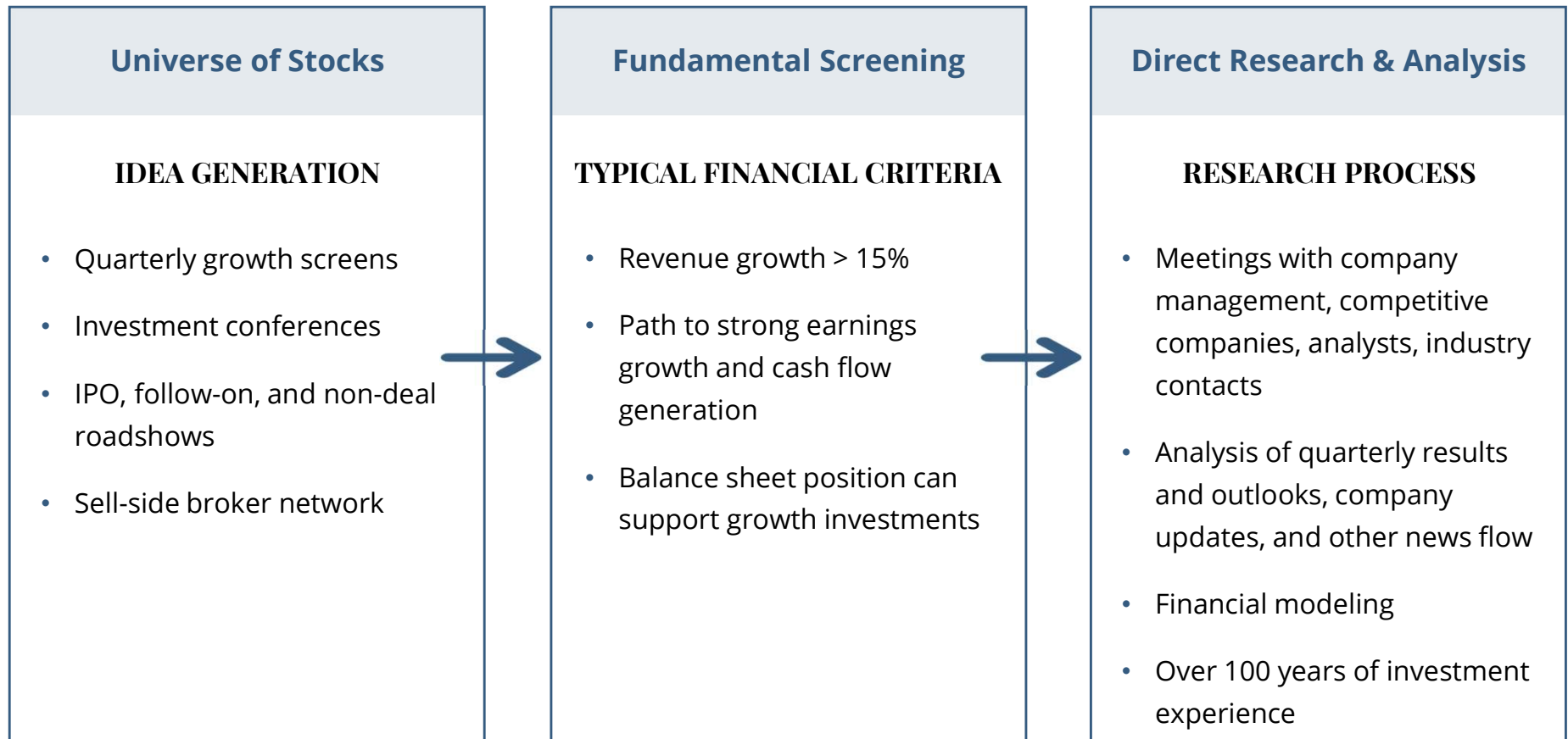
### Team Philosophy

- We work as a team on all investment strategies
- Portfolio managers are generalists – no sector or industry specialists
- All PMs become familiarized with each individual holding

### Team Process

- Hold all research calls as a collective group
- Conduct weekly meetings to discuss holdings and portfolio position
- Make investment decisions as a team, no veto power

# BOTTOM-UP STOCK SELECTION



# PORTFOLIO MANAGEMENT


## Portfolio Construction


- Diversified portfolio of approximately 40-60
- Emphasis on the fastest growing sectors
- Small initial positions for new holdings
- Individual positions generally limited to 5% of portfolio
- Sector limits of the greater of 2x index or 10%


## Risk Management

- Research identifies risk at a company level
- Portfolio diversification
- Strong sell discipline
- Position limits
- Limit exposure to excessive valuations

## INVESTMENT PROCESS ENHANCEMENTS

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Greater Focus on Valuations
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Increased Sector Awareness
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More Diversification within Sectors

## PHILOSOPHY AND PROCESS SUMMARY




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Small team of  
portfolio managers  
performing direct  
research




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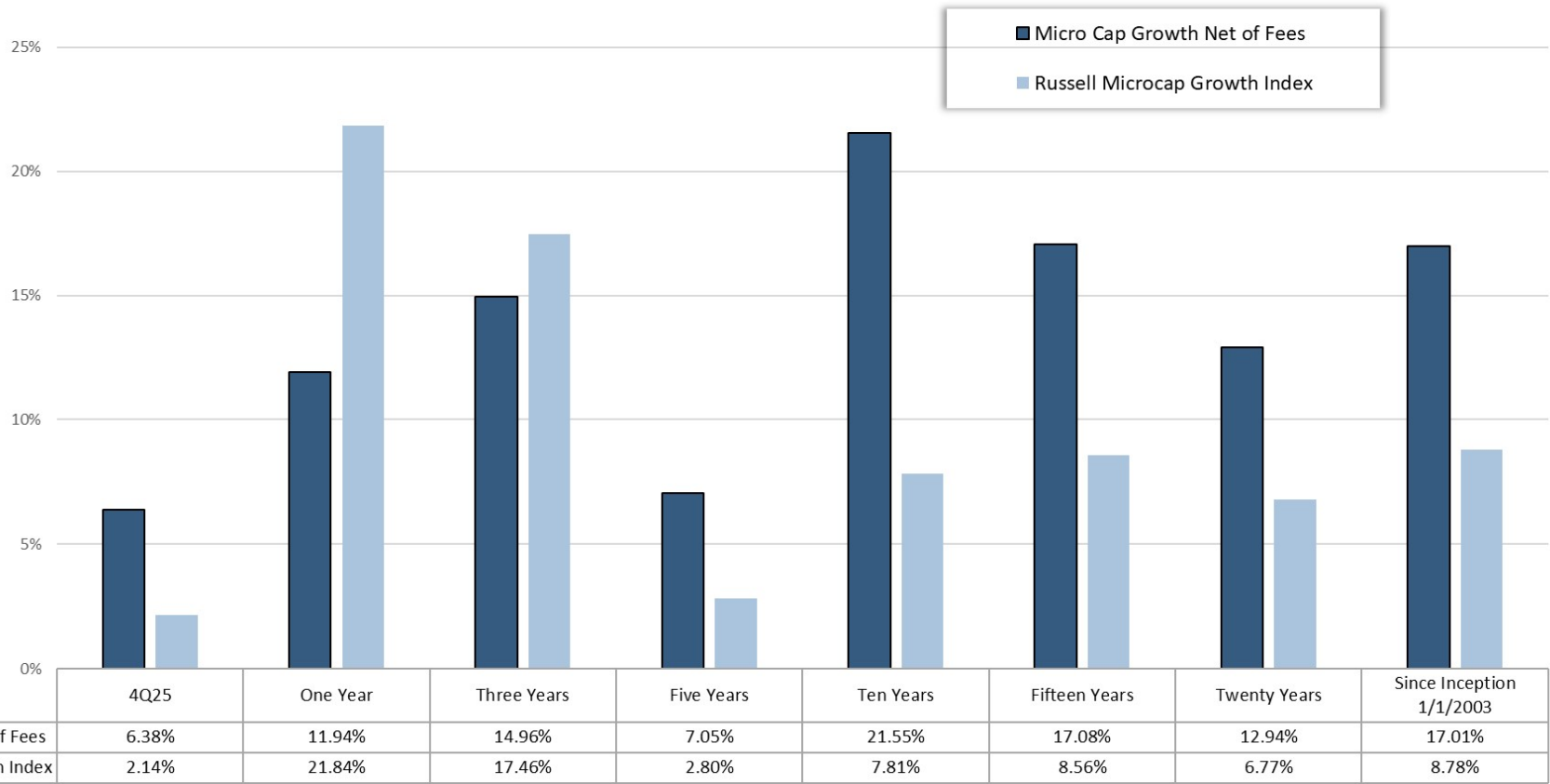
Benefit from the Law  
of Compounding




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Strong sell  
discipline allows us  
to admit mistakes  
quickly

# PERFORMANCE – MICRO CAP



As of December 31, 2025

Past performance is not an indicator of future performance, and the value of your account may increase or decrease over time. Performance shown for periods greater than one year are annualized.. Information is shown in conjunction with the GIPS report included at the end of this presentation.

Source of Russell Microcap Growth Index information: ICE

## PORTFOLIO SECTOR POSITION



	Micro Cap Growth	Russell Microcap Growth Index
Health Care	36%	40%
Industrials	25%	14%
Technology	17%	15%
Consumer Discretionary	6%	7%
Financials	4%	8%
Telecommunications	3%	4%
Consumer Staples	3%	2%
Basic Materials	2%	5%
Energy	1%	4%
Real Estate	0%	1%
Utilities	0%	1%
Cash	3%	0%

*As of December 31, 2025. Portfolio holdings are based on a representative account and are subject to change. Source: FactSet*

## PORTFOLIO HOLDINGS – MICRO CAP

Technology	Healthcare	Consumer	Industrials
<ul style="list-style-type: none"> <li>• Aehr Test Systems</li> <li>• Agilysys</li> <li>• Applied Digital</li> <li>• Arteris</li> <li>• Impinj</li> <li>• Innodata</li> <li>• JFrog</li> <li>• Paymentus Holdings</li> <li>• Sitime</li> <li>• Terawulf</li> <li>• Zeta Global</li> </ul>	<ul style="list-style-type: none"> <li>• ADMA Biologics</li> <li>• Adaptive Biotechnologies</li> <li>• Alignment Healthcare</li> <li>• Alphatec Holdings</li> <li>• Artivion</li> <li>• Axogen</li> <li>• Biolife Solutions</li> <li>• GeneDx Holdings</li> <li>• IRhythm Technologies</li> <li>• Kestra Medical Technology</li> <li>• Mirum Pharmaceuticals</li> <li>• Optimizerx</li> <li>• Owlet</li> <li>• Phathom Pharmaceuticals</li> <li>• SI-BONE</li> <li>• Tactile Systems</li> <li>• Transmedics Group</li> </ul>	<ul style="list-style-type: none"> <li>• Black Rock Coffee Bar</li> <li>• Lincoln Educational Services</li> <li>• Mama's Creations</li> <li>• Universal Technical Institute</li> </ul>	<ul style="list-style-type: none"> <li>• Astronics</li> <li>• Evolv Technologies</li> <li>• Frequency Electronics</li> <li>• Great Lakes Dredge &amp; Doc</li> <li>• Legence</li> <li>• Limbach Holdings</li> <li>• M-Tron Industries</li> <li>• MYR Group</li> <li>• Orion Group Holdings</li> <li>• Pagaya Technologies</li> <li>• Park AeroSpace</li> <li>• TAT Technologies</li> <li>• Xometry</li> </ul>
Financials	Telecommunications	Energy	Basic Materials
<ul style="list-style-type: none"> <li>• Ategrity Specialty</li> <li>• Bridgewater Bancshares</li> <li>• Coastal Financial</li> <li>• Goosehead Insurance</li> <li>• Porch Group</li> </ul>	<ul style="list-style-type: none"> <li>• Applied Optoelectronics</li> <li>• Planet Labs</li> </ul>	<ul style="list-style-type: none"> <li>• Centrus Energy</li> </ul>	<ul style="list-style-type: none"> <li>• Almonty Industries</li> <li>• United States Antimony</li> </ul>

As of December 31, 2025

Portfolio holdings are based on a representative account, will change over time, and may vary from account to account based on client restrictions. Information is shown as supplemental information to the GIPS report at the end of this presentation.

## REASONS TO HIRE

→ **Long Term Track Record of Outperformance**

→ **Stable Investment Team Focused on Executing Growth Philosophy**

→ **Disciplined, Consistent Investment Process**

→ **Independent Firm Owned by Portfolio Managers**

→ **Investment Team has Significant Personal Investments in the Firm and Strategies**

## BIOGRAPHIES



**Tom Press, CFA**  
*Chairman and Chief Executive Officer,  
Partner*

Tom founded NCG in November 1998 with the goal of managing client accounts within the firm's growth stock investing philosophy. He is one of the portfolio managers on all strategies. Prior to NCG he worked as a portfolio manager at Jundt Associates from 1994-1998 and Investment Advisors from 1992-1993. From 1985-1992 he worked at Salomon Brothers and Morgan Stanley on the institutional sales desk. Tom holds a B.A. in business administration from the University of Minnesota and an M.B.A. from the University of St. Thomas. He was a former member of the U.S. World, World Cup, and Olympic Wrestling Teams (alternate and team leader) and is a member of the Minnesota Wrestling Coaches Association Hall of Fame.



**Bob Scott, CFA**  
*President, Portfolio Manager, Partner*

Bob joined NCG in 2000, serving as one of the portfolio managers on all strategies, and he became a partner in 2002. In 2003, he helped create NCG's microcap strategy. Bob became President in 2013 and served as COO from 2013-2021. Prior to joining NCG, Bob worked at Investment Advisers, Inc (IAI) from 1993-2000. While at IAI, he held various positions including Vice President and portfolio manager for the IAI small cap growth and mid cap growth products. He also spent two years as a research analyst with the American Embassy in Tokyo, Japan. Bob graduated from Harvard University in 1990.



**Peter Capouch, CFA**  
*Chief Operating Officer, Portfolio Manager,  
Partner*

Peter joined NCG in 2003, serving as one of the portfolio managers on all strategies, and he became a partner in 2008. Peter became COO in 2021. Prior to joining NCG, he worked for one year at State Street Global Advisors. Peter graduated from Harvard University in 2002, where he was captain of the men's ice hockey team.

## BIOGRAPHIES



**Kaj Doerring**  
*Portfolio Manager, Partner*

Kaj joined NCG in 2005, serving as one of the portfolio managers on all strategies, and he became a partner in 2009. Prior to NCG, Kaj spent three years at Think Equity Partners and three years at Piper Jaffray. Before entering the investment industry, he spent 14 years at various positions within drug, diagnostic, medical device and capital equipment sales/marketing areas, including nine years at Bristol-Myers Squibb, two years at Boehringer Mannheim Diagnostics and three years at Coherent Surgical. Kaj graduated from Concordia College, Moorhead, MN in 1985 with a BA in Computer Science.



**Tom Dignard, CFA**  
*Portfolio Manager, Partner*

Tom joined NCG in 2013, serving as one of the portfolio managers on all strategies, and he became a partner in 2019. Tom earned his BA in economics from Yale University in 2010, where he was also a 4-year letterman of the Men's Ice Hockey Team. He earned his MBA and graduated with Distinction from the University of Ulster in 2012.



**Kelly McNulty**  
*Vice President, Chief Compliance Officer,  
Chief Financial Officer*

Kelly has over 30 years of industry experience. Prior to joining NCG in April 2002, she spent 7 years with Paladin Investments (formerly Investment Advisers, Inc.) as Associate Vice President of Operations overseeing institutional accounts and mutual funds. Previous to Paladin, Kelly held various positions at Piper Jaffray. Kelly received her MBA in Finance in May 2002 from the University of St. Thomas and she received her BA in Accounting and Finance from Creighton University in 1992.

## BIOGRAPHIES



**John Solecki**  
*Institutional Sales & Marketing*

John joined NCG in 2022, continuing an extensive career in institutional sales and marketing for the asset management industry. Prior to NCG John spent 8 years at Morgan Dempsey Capital Management, and before that he spent 7 years at Horizon Kinetics and 8 years at Mesirow Financial. John was appointed by the Governor of Michigan to the Michigan Public School Employees' Retirement System & Health Care Committee – MPSERS (2020-2024). He is a member of the Detroit Symphony Orchestra's Gabrilowitsch Society and served as the treasurer on the Epilepsy Board of Michigan. John co-authored a white paper – Hidden Value in Spin-offs. John graduated from Cornell University with a BS in Economics/Finance and lettered on the Varsity Football Team. He is a lifetime member of the CFA (Cornell Football Association).



**Joe Grundfeldt**  
*Trader*

Joe has 29 years of investment industry experience. Prior to joining NCG in February 2004, Joe spent over 8 years with American Express Financial Advisors. Joe held various positions at American Express including brokerage product development and equity trader. Joe received his B.S. in Economics and Finance from St. Cloud State University in 1994. Joe is a member and past president of the Minnesota Security Dealers Association.



**Gina Nelson**  
*Operations*

Gina joined NCG in February 1999. Prior to joining NCG Gina spent five years at Merrill Lynch & Co. functioning as a client associate as well as a meeting planning and seminar coordinator. She also spent one year at Jundt Associates, Inc., as an assistant trader. Gina holds a B.A. degree from the University of Wisconsin – Stout.

## ADDITIONAL DISCLOSURES

Next Century Growth Investors, LLC is an investment advisor registered with the SEC.

This presentation is intended only for sophisticated clients. Next Century Growth Investors, LLC (NCG) and its affiliates may have positions in, and may affect transactions in, the markets, contracts and related investments described herein. Past performance is not indicative of future results. The investment process and limitations described in this presentation are intended as an illustration of the manager's general investment philosophy. Any client-specific investment guidelines or restrictions must be detailed in a written agreement between NCG and the client.

An investment in this strategy is speculative and involves substantial risks, including the possible loss of the entire investment and the potential for economic and market conditions and factors to materially adversely affect the value of the investments. Performance information presented may include "estimated" figures in circumstances where "final" figures are not yet available. Includes reinvestment of dividends and earnings.

The performance information provided includes the reinvestment of all dividends and other earnings but does not reflect the deduction of investment advisory fees. The investment return will be reduced by these investment advisory fees and other expenses that you may incur as a client. For example, an annual gross investment return of 20%, subject to an annual investment advisory fee of 1% of assets under management, would result in an annual net investment return over 1 year of 18.8%. Next Century Growth Investors' investment advisory fees are described in Part 2a of its Form ADV.

The NCG Small Capitalization Equity Composite contains portfolios investing primarily in the equity securities of smaller U.S. companies that the portfolio manager believes have substantial potential for high long-term growth. The portfolio manager seeks to identify the fastest growing and highest quality companies for investment. Investment results are measured versus the Russell 2000® Growth Index.

The Russell 2000® Growth Index measures the performance of the small-cap growth segment of the US equity universe. It includes those Russell 2000® companies with higher price-to-value ratios and higher forecasted growth values. The Russell 2000® Growth Index is constructed to provide a comprehensive and unbiased barometer for the small-cap growth segment. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set and that the represented companies continue to reflect growth characteristics. The Russell 2000® Growth Index is not an actual investment and does not reflect the deduction of transaction charges and other expenses that your account must bear.

The Next Century Growth Investors Micro Cap Growth Composite contains portfolios investing primarily in the equity securities of small U.S. companies that the portfolio managers believe have substantial potential for high long-term growth. The portfolio manager seeks to identify the fastest growing and highest quality companies for investment. Investment results are measured versus the Russell Microcap Growth Index.

The Russell Microcap Growth Index measures the performance of the microcap growth segment of the U.S. equity market. It includes Russell Microcap companies that are considered more growth oriented relative to the overall market as defined by Russell's leading style methodology. The Russell Microcap Growth Index is constructed to provide a comprehensive and unbiased barometer for the microcap growth segment of the market. The Index is completely reconstituted annually to ensure larger stocks do not distort performance and characteristics of the microcap opportunity set. The Russell Microcap Growth Index is not an actual investment and does not reflect the deduction of transaction charges and other expenses that your account must bear.

## ADDITIONAL DISCLOSURES

The NCG Small/Mid Capitalization Equity Composite contains portfolios investing primarily in the equity securities of small and medium-sized U.S. companies that the portfolio manager believes have substantial potential for high long-term growth. The portfolio manager seeks to identify the fastest growing and highest quality companies for investment. Investment results are measured versus the Russell 2500™ Growth Index.

The Russell 2500™ Growth Index measures the performance of the small to mid-cap growth segment of the US equity universe. It includes those Russell 2500™ companies with higher growth earning potential as defined by FTSE Russell's leading style methodology. The Russell 2500™ Growth Index is constructed to provide a comprehensive and unbiased barometer of the small to mid-cap growth market. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small to mid-cap opportunity set and that the represented companies continue to reflect growth characteristics.

The Next Century Growth Investors Focused Large Capitalization Equity Composite contains portfolios investing primarily in equity securities of U.S. companies that the portfolio manager believes have substantial potential for high long-term growth. The portfolio manager seeks to identify the fastest growing and highest quality companies for investment. The strategy invests in both large and medium companies with an emphasis on large capitalization. Investment results are measured versus the Russell 1000® Growth Index.

The Russell 1000® Growth Index measures the performance of the large-cap growth segment of the US equity universe. It includes those Russell 1000® companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000® Growth Index is constructed to provide a comprehensive and unbiased barometer for the large-cap growth segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect growth characteristics. The Russell 1000 Growth Index is not an actual investment and does not reflect the deduction of transaction charges and other expenses that your account must bear.

Additional information regarding policies for calculating and reporting returns is available upon request.

Small Cap Composite assets represent 41.11% of total firm assets as of 12/31/2025.

SMID Cap Composite assets represent 1.81 of total firm assets as of 12/31/2025.

Micro Cap Growth Composite assets represent 34.02% of total firm assets as of 12/31/2025.

Large Cap Composite assets represent 13.57% of total firm assets as of 12/31/2025.

All rights in the FTSE Indices ("FTSE Indices") vest in FTSE International Limited ("FTSE"). "FTSE®" is a trade mark of the London Stock Exchange Group companies ("LSEG") and is used by FTSE under license. The Russell Indexes ("Russell Indexes") are a trademark of Frank Russell Company ("Russell"). The FTSE Indices and/or Russell Indexes are not in any way sponsored, endorsed, sold or promoted by FTSE, Russell or the LSEG (together, the "Licensor Parties") and none of the Licensor Parties make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to (i) the results to be obtained from the use of the FTSE Indices and/or Russell Indexes, (ii) the figures at which the FTSE Indices and/or Russell Indexes are said to stand at any particular time on any particular day or otherwise, or (iii) the suitability of the FTSE Indices and/or Russell Indexes for any purpose. None of the Licensor Parties have provided or will provide any financial or investment advice or recommendation in relation to the FTSE Indices and/or Russell Indexes. The FTSE Indices are calculated by FTSE or its agent, and the Russell Indexes are calculated by Russell or its agent. None of the Licensor Parties shall be (a) liable (whether in negligence or otherwise) to any person for any error in the FTSE Indices and/or Russell Indexes or (b) under any obligation to advise any person of any error therein.

# MICRO CAPITALIZATION EQUITY COMPOSITE

## January 1, 2003 through December 31, 2024

Year	Gross of Fees Return (%)	Net of Fees Return (%)	Russell Microcap Growth Index (%)	Russell 2000 Growth Index (%)	Standard Deviation	Number of Portfolios	Composite Assets (\$Millions)	Percentage of Firm Assets	Firm Assets (\$Millions)	Annualized 3-year Standard Deviation		
										Composite	Russell Micro Cap Growth Index	Russell 2000 Growth Index
2003	105.56	101.99	69.83	48.54	-	2	15	0.96	1,551	**	**	**
2004	17.60	16.62	7.90	14.30	0.12	2	5	0.27	1,734	**	**	**
2005	39.67	38.06	2.04	4.15	0.01	5	40	2.36	1,705	21.1%	18.1%	16.5%
2006	1.81	1.10	11.38	13.34	0.63	10	155	7.01	2,203	20.5%	16.7%	15.6%
2007	18.89	18.00	(2.67)	7.04	0.10	10	355	12.07	2,937	18.4%	14.8%	14.2%
2008	(54.59)	(55.07)	(44.64)	(38.53)	0.44	13	171	11.21	1,521	26.3%	21.7%	21.3%
2009	45.40	43.99	39.17	34.46	0.54	12	233	9.51	2,446	26.5%	26.2%	24.8%
2010	39.82	38.73	29.48	29.08	0.27	12	321	10.35	3,100	31.4%	29.1%	27.7%
2011	(5.20)	(6.09)	(8.42)	(2.90)	0.31	11	250	9.60	2,604	27.2%	25.2%	24.3%
2012	15.08	14.03	15.17	14.58	0.33	11	316	11.75	2,690	26.8%	21.6%	20.7%
2013	66.85	65.52	52.83	43.30	0.30	7	441	11.43	3,860	22.2%	18.5%	17.3%
2014	(6.17)	(6.94)	4.29	5.60	0.15	6	296	9.34	3,163	19.0%	16.5%	13.8%
2015	(7.64)	(8.36)	(3.85)	(1.38)	0.06	5	188	7.35	2,555	18.7%	17.6%	14.9%
2016	13.93	13.12	6.86	11.31	0.14	5	194	11.19	1,736	19.2%	19.4%	16.7%
2017	44.17	43.16	16.65	22.16	0.01	3	159	19.01	834	16.0%	17.0%	14.6%
2018	18.25	17.47	(14.18)	(9.30)	0.03	3	169	24.24	699	17.7%	18.5%	16.5%
2019	33.15	32.43	23.32	28.48	0.18	6	293	37.35	784	17.2%	17.8%	16.4%
2020	99.94	98.79	40.12	34.63	0.18	7	519	41.60	1,243	27.7%	27.9%	25.1%
2021	32.75	31.71	0.88	2.83	0.18	5	465	40.12	1,160	26.2%	27.1%	23.1%
2022	-29.07	-29.72	-29.75	-26.35	0.04	9	337	39.23	859	30.7%	30.0%	26.2%
2023	11.14	10.15	9.10	18.65	0.14	12	380	35.85	1,060	25.6%	24.7%	21.8%
2024	24.26	23.22	21.91	15.15	0.09	14	467	34.01	1,374	26.9%	25.3%	24.0%
1-Year Annualized	24.26	23.22	21.91	15.15								
5-Year Annualized	21.06	20.08	5.72	6.85								
10-Year Annualized	20.03	19.15	5.29	8.09								

## NCG MICRO CAPITALIZATION EQUITY COMPOSITE – FOOTNOTES

**Compliance Statement:** Next Century Growth Investors, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Next Century Growth Investors, LLC has been independently verified for the periods 1999-2024. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

**Definition of the Firm:** Next Century Growth Investors, LLC is a registered investment adviser with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940. The Firm offers investment services to individuals and institutional investors. Next Century Growth is located in Minneapolis, Minnesota, has one office and no subsidiaries.

**GIPS Registered Trademark:** GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

**List of Composites:** The firm's list of composite descriptions is available upon request.

**Composite Creation:** The creation and inception of this composite is January 1, 2003.

**Formal Description of the Micro Cap Growth Composite:** The NCG Micro Capitalization Growth Equity Composite contains all fee paying portfolios investing primarily in the equity securities of smaller U.S. companies that the portfolio manager believes have substantial potential for high long-term growth. The portfolio manager seeks to identify the fastest growing and highest quality companies for investment. Investment results are measured versus the Russell Microcap Growth Index and the Russell 2000® Growth Index. Prior to October 1, 2018 the Micro cap Growth composite had been referred to as Poling Composite, MicroCap Composite and SMicroCap Composite, and Small Cap Ultra Composite. Beginning January 1, 2003, there was no minimum account size for the composite, Beginning October 1, 2010 the minimum account size for the composite is \$10,000.

**Currency:** Valuations are computed and performance reported in United States dollar (\$).

**Benchmark:** The Russell Microcap Growth Index measures the performance of the microcap growth segment of the U.S. equity market. It includes Russell Microcap companies that are considered more growth oriented relative to the overall market as defined by Russell's leading style methodology. The Russell Microcap Growth Index is constructed to provide a comprehensive and unbiased barometer for the microcap growth segment of the market. The Index is completely reconstituted annually to ensure larger stocks do not distort performance and characteristics of the microcap opportunity set. The Russell Microcap Growth Index is not an actual investment and does not reflect the deduction of transaction charges and other expenses that your account must bear. The Russell 2000® Growth Index measures the performance of the small-cap growth segment of the US equity universe. It includes those Russell 2000® companies with higher price-to-value ratios and higher forecasted growth values. The Russell 2000® Growth Index is constructed to provide a comprehensive and unbiased barometer for the small-cap growth segment. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set and that the represented companies continue to reflect growth characteristics. The Russell 2000® Growth Index is not an actual investment and does not reflect the deduction of transaction charges and other expenses that your account must bear. Additional information regarding policies for calculating and reporting returns is available upon request

**Fee Schedule:** Next Century Growth Investors standard investment advisory fee is 1.00% on all asset under management. The net returns reflect the deduction of actual advisory fees. Prior to April 2004, monthly net returns reflect the deduction of a model advisory fee of 1.00%. This fee is the maximum annual advisory fee based upon the accompanying fee schedule in effect during each respective performance period for each portfolio in the composite, for net composite returns. The annual advisory fee is divided by 12 to determine the monthly advisory fee.

**Measure of Dispersion:** The composites dispersion is measured using an asset weighted standard deviation of returns gross of fees for portfolios that were in the composite for the entire year. The composite 3-year standard deviation is calculated using gross returns.

**Significant Cash Flows:** Beginning Jan 1, 2018, composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow of at least 35% of portfolio assets. The temporary removal of such an account occurs at the beginning of the month in which the significant cash flow occurs and the account re-enters the composite at the beginning of the month after the cash flow.

**Additional Information:** Policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request. Past performance is not an indicator of future performance and the value of your account may increase or decrease over time. The performance information provided above includes the reinvestment of all dividends and other earnings. Additional information about NCG is contained in the firm's Form ADV. NCG will supply a copy of its Form ADV to any prospective client upon request. \*\* for periods with less than 3 years of composite performance, no 3-year ex-post standard deviation measurement is available.